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Leadership Competency Series

Leadership in 'Execution'

Leadership in execution

LEADERSHIP COMPETENCY / "Execution" - The discipline of getting things done, is the major job of a leader as portrayed in the insightful business story by Larry Bossidy and Ram Charan. The primary building block is to develop and use execution competencies that are critical to link purpose, people and processes for organisational survival and success, says M R CHANDRAMOWLY.

THE CEO looked tired and drained. He could not figure out what went wrong. He took his team twice to offsite meetings to put them together. Everybody agreed with the plan and McKinsey helped them. In spite of the brightest empowered team, good market and working together with high energy, they failed. Earnings were four times lower to the past nine months. They lost their credibility with the board and market. The leader is not able to know where the bottom is. He is watching what happens next. Several weeks later, the board fired him. There are three kinds of people in business world. People who make things happen, people who watch things happen and people who wonder what happened. The last category are the 20 percent of the CEOs of Fortune 500 who were removed — not retired but fired or made to resign. In the effect, it is not just the CEO alone suffered — so did the employees, partners, shareholders and customers.

Facts of Failure

Most frequent explanation is the CEO's strategy was wrong. "But the strategy by itself is not often the cause. Strategies most often fail because they are not executed well," asserts the authors of "Execution", narrating the contemporary stories of great organisations. The companies that should be succeeding but were not: AT&T, British-Airways, Compaq, Hewlett-Packard, Lucent Technologies, Xerox and many others which are good companies with smart CEOs but failed to produce promised results. What about some of our organisations here? The stalled Ideal Java, fused Mysore Lamps, silenced engines of Mysore Kirloskar, faded Binny Mills, shocked NGEF, ITI which failed to connect and many more who were the best trend setters time ago. GE's CEO Jeff Immelt asks his people about how they can use technology to differentiate their way to the next level and command better prices, margins and revenue growth. Leaders need to search their souls if they had such a robust dialogue with their employees. If we look at some of these such as tough competition, economy or speed of change, all these are challenges for every organisation and leader. Inspire of these challenges, there are companies who deliver on their commitments time and again and firmly stand and survive. GE, Wal-Mart, Emerson, Colgate-Palmolive, Tata Steel, Wipro, Infosys, BHEL,... globally and locally are moving towards perfecting their business results.

After Compaq's board fired Pfeiffer, chairman and founder Ben Rozen said, there was nothing wrong with the company's strategy. What was lacking and now focused on is to speed up decision-making

and make the company more efficient. “Execution is a specific set of behaviours and technics that companies need to master in order to have competitive advantage. It is a discipline of its own. In the big companies and small ones, it is the critical discipline for success now,” argues Larry Bossidy and Ram Charan, the authors of “Execution”.

Assess yourself

Practically speaking “Execution” must become the energy driver of strategy and organisational culture to produce results. As a leader, have you assessed business environment and organisation capabilities? Is strategy linked to operations? Have you ensured building accountabilities and follow through? Have you synchronised people competencies with business challenges? Have you built a development process where organisation upgrades its capabilities sustaining to meet the challenges of environment to produce desired results? In simple terms, execution is a disciplined capability to dive in, to find out the realities and quickly come up and get things done, linking the three core processes: Strategy, People and Operations. All the three are interlinked. Strategy is built based on people capability and operational reality. People work in the light of strategy and operational plans. Operations underpin strategic goals and people capabilities.

Execution competencies

(1) Execution leaders are in regular touch with the day-to-day realities of business and people. Being present in the “power of now”, the personal connections build intuitive feel for leadership and followers.

(2) They live in reality and do not shade it to make a good appearance. Embracing reality is about keeping the view of global trends and measuring your own progress, not internally but externally.

(3) Execution leaders set clear goals and priorities. The logic of business thinking is to focus on three or four clear priorities. A leader who has 10 priorities does not know himself what the most important things are. Execution Leader aligns few clear goals across the organisation and simplifies things so that others can understand, evaluate and act on them.

(4) One of the concerns in widespread business is lack of perseverance and ability to follow through. You cannot sit though hoping that people will buy into an idea. Instead, look their reasons for resistance and address those concerns. It is very essential to create a follow-through mechanism that everyone will do what he or she is supposed to in order to execute an idea. Follow through is a technique of creating a magnetic field to polarising the energy in towards predetermined direction. The spirit of follow-up is action alignment and not suspicion or distrust. Behaviour of leaders must display the alignment spirit and not doubting of people capabilities.

(5) Reward the doers. People produce specific results if they are rewarded accordingly. Rewards include monetary value and beyond. Matching personal and position competencies is a reward for development. Identifying the behaviours of star performers and linking pay to those behaviours which add value to organisation is a reward. A good leader believes that making discrimination and distinction of rewarding execution behaviour is a part business life. When reward and respect are based on performance, an execution culture evolves.

(6) The sixth execution competency is to expand people's capabilities through coaching. One of the most important parts of a leader's job is to pass on his knowledge and experience to the next generation and ensuring other key members do it preparing a pipe of future leaders. Good leaders are efficient coaches providing feedback of behaviour and performance that are good or that need to be changed. Execution Leaders expand capabilities of every one in organisation, get results today and leave a legacy to take pride in, when they move on.

(7) The last execution competency which is the basis for all the six to stand on is self-awareness. Leading a business requires strong character, emotional fortitude and awareness of strengths and weaknesses especially in dealing with other people, and the ability to build on the strengths and correct the weaknesses. I look at "Execution" as key competency cluster for leadership. The essential behaviours "Execution" prescribes in the first building block are related to leadership competencies. Know your people and your business (execution behaviour) can be related to — business acumen (leadership competency).

Similarly the other execution behaviours can be identified with leadership competencies: Insist on realism, set clear goals and priorities - results driven, follow through - perseverance, reward the doers - motivating and inspiring, expand people capabilities - developing self and others, know yourself - self-knowledge.

It is the application of specific competencies, the discipline, technique and action filled journey of emotional fortitude, to achieve success.

The author is an HRD and leadership competency consultant who can be reached at cmowly@hotmail.com